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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics

PROSPECTS FOR OBTAINING UNDEREMPLOYED
FARMERS IN JOSEPHINE COUNTY, OREGON 1/

According to the 1940 Census of Agriculture, Josephine County, Oregon, should have a larger proportion of underemployed farmers than any county in the three Northwestern States--Oregon, Washington or Idaho. In 1939, 1,341 out of 1,944 farms in the county had less than \$600 in value of farm products sold, traded, or used. At the same time only 550 of the 1,944 farmers had worked off their farms more than 100 days during that year. Even assuming that all who worked off their farms over 100 days were in the low income group, a clear margin of 791 farmers remain as low producers who spent very little time in other productive activity. This amounts to 40.7 percent of all the farmers in the county. (See Table 2.)

Approximately 297 farm operators in the county were over 65 years of age. Assuming again that all these belonged to the low production and low off-farm employment group, a margin of 500 farmers remains who might be available for additional farm or other employment.

In the State of Oregon as a whole only 19.5 percent of the farmers belonged to the low production, low off-farm employment group or less than half the percentage found in Josephine County. The percentage in Washington was 18.6 and in Idaho 12.3. Census data indicate, therefore, that Josephine County should be a richer source of surplus farm labor than any other part of the Northwest.

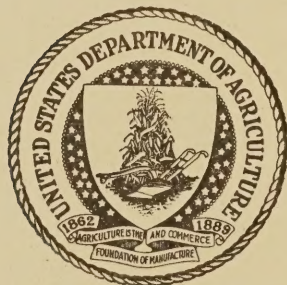
Activities that, since the Census date, have changed the manpower situation in Josephine County are as follows:

Movement from the county.-- A visit to Josephine County indicated that only 3 percent of the land area was in crops and only 2 percent under irrigation. Most of the land is in timber and a large proportion in forest preserve. The farm land in the county has been divided into very small tracts, most commonly 3, 5, 10, or 30 acres. There are only a very few farms in the county of more than 100 acres.

These farms are too small to support a family but are large enough to look attractive to people from Los Angeles, Fort Worth, and elsewhere who are looking for a little land where they can find elbowroom, do some hunting and fishing and not have to work too hard. There is a constant influx of settlers of this type into the county and almost as steady a stream out again. Those

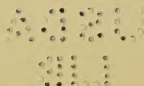
1/ Prepared in January 1943 by Wm. H. Metzler, Associate Agricultural Economist, Bureau of Agricultural Economics, Berkeley, California. The study was made at the request of the Farm Security Administration, Region XI, for what information it might furnish regarding underemployment of year-round farm laborers in the northwest.

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who remain have been particularly adept at living on a small income. The stream of out-migrants has greatly increased in the last year. The county judge estimates that the total county population is now from 1,500 to 2,000 less than in 1940 when it was slightly over 16,000.

The first strong movement from the county was in 1940 when approximately 500 workers were recruited to assist in fortifying Wake and Midway Islands. The contractors on those jobs had business interests in Grants Pass and conducted a recruitment campaign through the W. C. Allen Realty Agency.

The movement of people into the armed forces has also been heavy: 110 men were taken out by the National Guard. The county has stood close to the top in the United States in proportion of volunteers in the Navy.

Last summer an Army cantonment was under construction in Jackson County which adjoins Josephine County on the east. These operations practically denuded the county of labor and it was almost impossible to find workers to harvest crops, do odd jobs, etc. However, school children and townspeople responded to appeals for help and the hops and other crops were finally harvested without loss.

Many of the cantonment workers who had a taste of high wages were not satisfied to return to Grants Pass to work for less money. Some followed the construction gangs and are still working on the erection of military establishments in various parts of the United States. A large number have gone into the shipyards, aircraft factories and other defense activities. Quite a number of these people left their wives and children in Josephine County. The postmaster says that Grants Pass is now a "remittance town." It is supported largely by checks and money orders that come in from various parts of the world.

A welding school was established in Grants Pass in June 1942. Approximately 40 pupils are now enrolled and about four times this number have already graduated and been sent to work in the shipyards. The earlier students included a good many farmers but more recently most of the pupils have come from the high school. Most of the available farmers appear to have been utilized.

A local real estate agency showed a list of 40 farmers who wished to sell or lease their places because they were going into defense industries. All but a few had already left the community; the remainder were waiting to sell their places before they left. Many of such sales were for much less than the actual value of the farms.

Local population movements.- School census data for the past three years are as follows:

| | <u>Number of pupils</u> | | |
|----------------------------|-------------------------|-------------|-------------|
| | <u>1940</u> | <u>1941</u> | <u>1942</u> |
| Josephine County | 4,017 | 4,027 | 4,116 |
| Grants Pass | 2,137 | 2,129 | 2,404 |
| County outside Grants Pass | 1,880 | 1,846 | 1,712 |
| Merlin | 72 | 71 | 61 |
| Hugo | 19 | 27 | 16 |
| Kerby and Cave Junction | 122 | 129 | 118 |

These data verify local statements that people are moving from the country into Grants Pass. They now have steady nonfarm employment or possibly the husband is employed in defense activities at some distance. It has become more convenient for the family to live in town, close to school and other facilities. Consequently quite a number of the small farms are now unoccupied.

Increase in local labor demands.-- An enormous expansion has occurred in local logging and milling activities. Practically the entire output of these mills is going to the Government for defense construction. Employment in more normal times would amount to approximately 400 persons. At present more than 700 men are being used in these operations. Some additional people have come in to do this type of work but most of these employees are from the small 3, 5, and 10 acre tracts in the county.

At the same time there has been an increase in local business. Local purchasing power is greater than formerly and Army officers at Camp White, Medford, also do some buying at Grants Pass. This has increased the demand for non-farm workers. Many of these have come from the small tracts near Grants Pass.

Changes in mining activity are of no great importance now but will be before 1943 is over. The gold mines have closed down except for a few small prospectors. This means the release of approximately 125 workers. On the other hand 60 to 75 workers have been employed in the chromite mines, 4 in asbestos, and 3 in antimony. In the course of several months, two large chromite mills will be opened in adjacent counties and each will require several hundred men.

Some 40 or 50 of the local citizens are now engaged as civilian employees at Camp White. Camp officials are trying to recruit still more workers for laundry and kitchen work, fire protection, etc. The USES official, who visits the county once a week, is commonly suspected of recruiting workers from the county for work in other areas rather than helping to solve local problems.

All evidence indicates that farmers in the county have been hampered to a smaller extent in their operations than those in most parts of the State. Dairymen are having to do much of their work with family labor and would

like to have more workers, but have not had to dispose of their herds on account of labor shortage. Bulb growers in the area have been able to dig and clean all their bulbs whereas many growers in the northern part of the State had to leave their bulbs in the ground.

It is anticipated, however, that this will soon come to an end. When the sawmills open to full capacity in February it is anticipated that they will send out a call for additional help. There is even more question as to where the chromite mills will be able to find their labor.

Movement into the county.- Movement of people into the county has increased during the past year. This movement appears to be occasioned by a number of factors; first, increased employment in timbering and sawmilling; second, defense workers from Los Angeles and other places who have saved enough money and want to invest it in a small farm where they can be secure during the post-war readjustment period; third, a reported movement of people who want to engage in a small amount of agriculture so as to be able to avoid the draft. These settlers generally have sufficient money to pay for their farms in cash and local farmers have not been able to turn down the generous offers that such people have made.

Mistakes of the newcomers in trying to adjust to agriculture are a topic of common gossip among residents of the community. Training and supervision of these people might add materially to the total production in the county. Generally, they are not FSA clients.

Movement into the county during the past year was estimated as half as great in volume as the outgoing movement. The general expectation is that the newcomers will leave as soon as their savings are used up, since they will be unable to make a living on their small holdings.

Areas of Concentration

Persons familiar with the county indicated that underemployed persons might possibly be found in the area of small farms near Grants Pass, inside the Grants Pass Irrigation District, also in the communities of Merlin and Hugo, 15 miles north of Grants Pass, and in Kerby and Cave Junction, 30 miles south of Grants Pass. A special check was made of the possibilities in these communities.

Irrigation district.- The farms in the irrigation district are generally quite small, - 3, 5, or 10 acres. The water costs, \$7.50 an acre per year, are high. A good many people who work in town live in the irrigation district and supplement their incomes by raising farm produce. In ordinary years from 400 to 500 people in the district work on the ditches, dams, etc. and in that way help to meet their expenses. In 1942 special attempts to obtain workers for these purposes have had meager results. Both the engineer and the foreman of the construction group said that residents of the District were now fully employed and that no labor would be available from this area.

Merlin and Hugo.- These are two dry-farming communities in which relief loads have been very heavy. The soil is poor and persons who try to live by farming generally "starve out." There are a few "squirrel farmers" and "sour-doughs," however, who are long-time residents of the area.

Inquiry of residents of the community indicated that a sawmill had been established there last summer and that all men who were physically able were now employed in it. In fact some new settlers had come in for the purpose of working in the mill. Some of the land that has been farmed in the past is now lying idle. Since these farms were worked largely on a self-sufficient basis, this will not greatly affect the total agricultural production in the county.

Kerby and Cave Junctions.- This region is considered to be a good farming district but a number of farmers there have small acreages and low incomes. The FSA supervisor found that a few farmers could be operating to better advantage than at present. The county agent reported that the larger farmers in this area would soon be short of labor and would need all the local workers that would be available. A couple of sawmills are operating in these communities but their activities are quite irregular; they do not provide full employment for the people engaged in them.

Closer inspection of these communities indicates, therefore, that their manpower resources are almost completely utilized. Though they had high WPA loads a few years ago, those people have now been utilized in nonfarm employment of some type. The county welfare director verified this impression, indicating that persons from these and other localities have previously crowded her office but now she had no calls from employable people. As late as March 1941 the WPA load in the county was 285.

Collateral Considerations

Are the prospective workers experienced in farming?- According to the county agent, the few people who might be considered prospects have such small productive capacity that they cannot really be considered farmers. Some are retired seamen, businessmen, firemen, policemen, etc. from various parts of the world. They probably have small pensions and do a little gardening or chicken raising in order to supplement their income. Others work in the timber, do some prospecting, hunt, fish, work at seasonal labor, or engage in other activities that are as important from an income standpoint as their farming. The county agent does not regard them as bona fide farmers, and does not intend to take AAA records of their 1943 farm production, since it is largely for home use.

Their effectiveness in a farm production program is definitely limited. Likewise, many would not make efficient year-round workers on dairy or other farms.

In regard to AAA data, it might be observed that methods of tabulation used in previous years will not classify farm operators in such a way as to reveal the ages of operators with a small number of war units. An additional cross tabulation will be needed in order to make sure that they are not in the over-age group.

A need for larger farm units.- Much of the farm land in the county has been divided into very small tracts, apparently for purposes of real estate speculation. Otherwise the 24 real estate companies in Grants Pass might not have a sufficiently large base on which to operate. The present program for all-out production might furnish an opportunity to consolidate many of these tracts into larger holdings. This in fact is already going on to some extent but it would be economically desirable to expedite the process. The one real estate man consulted pointed out that it had been a mistake to divide the land into such small acreages.

Attitude of the people.- Most of these people own their land, and could not easily be persuaded to change to a wage labor status. Those who were least attached to their farms have already left. Those who remain might be interested in taking on more land or equipment but would not readily consent to moving elsewhere.

A second outstanding attitude is that of patriotism. These people are quite open to appeals of that type, as indicated in tangible form in their seasonal labor sign-up, and in the high proportion of volunteers for military duty. An exception was found in case of one farmer, who felt that better guarantees as to markets and prices should be given. He wished to plant 80 acres to vegetables but felt that prices should be in line with those paid for other commodities or he wouldn't put out that much effort. He predicted that actual production would fall far short of the intentions expressed by farmers in their AAA sign-up.

Farmers in the community are inclined to exaggerate the tightness of the local farm labor situation. AAA officials experienced some difficulty in their meetings earlier in January because the farmers insisted that they be given some guarantee of an adequate labor supply. To attempt to recruit labor from such an area would probably cause more resentment than the few laborers would be worth.

Conclusion

All informants agreed on these points: First, that local manpower was so scarce that none would be available for recruitment to work in other areas; second, that the efforts of some local farmers might be utilized to better advantage if a local program of adjustment were instituted; and third, that no existing local agency was empowered to handle such an adjustment program. Suggestions as to the methods to be used by such an adjustment agency varied but the objectives in the main were as follows: (1) that some farmers should take on more land or livestock, (2) that other farmers should assist those who had taken on more land or livestock, and (3) that some farmers should move from small acreages to larger or more productive farms in the county, where they could make a greater contribution to the war effort.

The rapid survey in Josephine County bears out the above points of view. There are only a small number of underemployed persons in the county and they are not of sufficient promise to justify an extensive program of training and transition to regular farm jobs. A local program of readjustment does seem to have possibilities. Farmers now working in the timber, in town, or at the waterfront might be asked to farm tracts near their own that would otherwise be idle. In turn their employers should give them sufficient time off at planting and harvesting time so that they could handle the additional acreage. Likewise some of those who have retired or who are physically below par might take on some additional acreage or spend some time in helping their neighbors. Since many farm holdings in the county are too small to provide a living, a program to combine some of these holdings or to move farmers to larger ones appears to be economically desirable.

Local recognition of the need for such an adjustment program seems to be quite significant. It is also significant that such people felt that none of the existing agencies was in a position to carry on such a program. It seems on the other hand that the existing agencies might well add it to their responsibilities rather than to have a new agency set up within the county. They have established contacts with the farmers and are well acquainted with local situations and needs. Furthermore many of the details of the program would have to be worked out on a community or neighborhood basis and existing agencies have contacts in all these communities, know who the leaders are, and should generally be able to function on short notice.

Table 1.- Supplementary Data on Josephine County from
1940 Census of Agriculture

| | |
|-----------------------------------|--------------|
| Number of farms (1940) | 1,944 |
| Number of farms (1930) | 1,164 |
| Proportion of land in farms | 12.0 percent |
| Number of full owners | 1,528 |
| Number of part owners | 137 |
| Number of tenants | 273 |
| Proportion of tenancy | 14.0 percent |
| Proportion of farms mortgaged | 30.4 percent |
| Number of farms by size | |
| Under 3 acres | 18 |
| 3 to 9 acres | 468 |
| 10 to 29 acres | 518 |
| 30 to 49 acres | 372 |
| 50 to 69 acres | 93 |
| 70 to 99 acres | 166 |
| 100 to 139 acres | 109 |
| 140 to 179 acres | 140 |
| 180 to 219 acres | 39 |
| 220 to 259 acres | 37 |
| 260 to 379 acres | 57 |
| 380 to 499 acres | 13 |
| 500 to 699 acres | 11 |
| 700 and over acres | 3 |
| Number of farms by size of income | |
| Under \$250 | 607 |
| 250 - 399 | 296 |
| 400 - 599 | 238 |
| 600 - 999 | 207 |
| 1000 - 1499 | 136 |
| 1500 - 2499 | 106 |
| 2500 and over | 104 |
| Not reporting | 50 |

Table 2.- Farmers in Oregon with low production and low off-farm employment, by counties, 1940 1/

| County | Total farms | Farms with products under \$600 | Operators who worked off farms over 100 days in 1939 | Operators with products under \$600 & less than 100 days off-farm employment 2/ | Proportion of farmers in the low production, low off-farm employment group |
|------------|-------------|---------------------------------|--|---|--|
| | Number | Number | Number | Number | Percent |
| Baker | 1,259 | 383 | 208 | 175 | 13.9 |
| Benton | 1,507 | 716 | 441 | 275 | 18.2 |
| Clackamas | 5,475 | 3,092 | 1,596 | 1,496 | 27.3 |
| Clatsop | 661 | 326 | 213 | 113 | 17.1 |
| Columbia | 2,060 | 1,407 | 890 | 517 | 25.1 |
| Coos | 1,953 | 1,049 | 730 | 319 | 16.3 |
| Crook | 495 | 110 | 102 | 8 | 1.6 |
| Curry | 375 | 185 | 78 | 107 | 28.5 |
| Deschutes | 1,047 | 444 | 366 | 78 | 7.4 |
| Douglas | 2,734 | 1,399 | 645 | 754 | 27.6 |
| Gilliam | 292 | 54 | 33 | 21 | 7.2 |
| Grant | 580 | 147 | 108 | 39 | 6.7 |
| Harvey | 436 | 171 | 69 | 102 | 23.4 |
| Hood River | 1,142 | 522 | 415 | 107 | 9.4 |
| Jackson | 2,702 | 1,523 | 741 | 782 | 28.9 |
| Jefferson | 227 | 91 | 45 | 46 | 20.3 |
| Josephine | 1,344 | 1,341 | 550 | 781 | 40.7 |
| Clamath | 1,552 | 682 | 468 | 214 | 13.8 |
| Lake | 484 | 181 | 112 | 69 | 14.3 |
| Lane | 4,454 | 2,442 | 1,470 | 972 | 21.8 |
| Lincoln | 372 | 656 | 299 | 357 | 36.7 |
| Linn | 3,325 | 1,318 | 779 | 539 | 16.2 |
| Malheur | 2,545 | 821 | 374 | 447 | 17.5 |
| Marion | 4,735 | 2,171 | 1,311 | 860 | 18.0 |
| Morrow | 540 | 117 | 74 | 43 | 8.0 |
| Multnomah | 2,260 | 1,229 | 886 | 343 | 15.2 |
| Polk | 1,743 | 751 | 493 | 258 | 14.8 |
| Sherman | 343 | 34 | 38 | 0 | 0 |
| Tillamook | 960 | 287 | 281 | 6 | .6 |
| Umatilla | 2,312 | 796 | 425 | 371 | 16.0 |
| Union | 1,355 | 418 | 298 | 120 | 9.6 |
| Wallowa | 989 | 268 | 145 | 123 | 12.4 |
| Wasco | 1,007 | 363 | 206 | 157 | 15.6 |
| Washington | 4,348 | 2,206 | 1,347 | 859 | 19.8 |
| Wheeler | 249 | 72 | 33 | 39 | 15.7 |
| Yamhill | 2,617 | 1,269 | 720 | 549 | 19.5 |
| State | 61,829 | 29,041 | 16,989 | 12,052 | 19.5 |

1/ Data from U. S. Census of Agriculture 1940.

2/ Figure is only an approximation of the total number of underemployed farmers but useful in determining the concentration of such people.

Informants

Grover, G. H. - purchaser and distributor of milk
Beals, O. K. - County agent
Carter, Reed - engineer, Grants Pass Irrigation District
Machett, Roy - cashier First National Bank, Selective Service Board
Rycraft, Carroll - FSA farm supervisor
Crawford, Ruth - county home demonstration agent
Holliday, Mr. - assistant county agent
Entriiken, Walter - former resident Merlin community
McGellicat, Wm. - former resident Merlin community
Johnson, Judge W.A. - county judge, dairy farmer
Gerlinger, Louis - Grants Pass Wood Products Company
Massey, C. H. - postmaster
Plummer, Mr. - county farm labor committee, bulb grower
Sinner, J. J. - real estate and insurance
Osgood, Dr. S. B. - county health doctor
Lindsey, Miss. - resident Merlin community
Graham, D., - instructor, welding school
Kellog, Bernice - FSA home supervisor
Gwinn, Dale - county superintendent of schools
Stevenson, Mrs. Clare - county welfare director
Bassett, R. G. - assayer, U. S. Geological Service
Chamber of Commerce

